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SUBJECT: NEW CYPRIOT CABINET NAMED; FEW SURPRISES

Reference: A) Nicosia 123 B) Nicosia 114

11. Summary: After four days of difficult deliberations with the parties that supported his candidacy, RoC President-elect Demetris Christofias on February 28 announced the members of his cabinet. Filling the 11-member body are four ministers from Christofias's AKEL party, three from DIKO, two from EDEK, one from the Front for the Restoration of the Center, and one independent, the new Minister of Finance. At his same-day inauguration, Christofias pledged that solving the Cyprus Problem was the top priority of his presidency. Cabinet member bios begin in Paragraph 6. End Summary.

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Christofias's First Moves  
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12. As agreed in their pre-runoff negotiations (Reftels), shortly after his February 24 election, Republic of Cyprus President Demetris Christofias began staffing consultations with the parties that supported his candidacy. Up for grabs were eleven cabinet seats, a handful of high-level positions at the Presidential Palace, and the European Health Commissioner slot (vacant upon the reassignment of incumbent Marcos Kyprianou, who now heads the MFA). Deliberations ran smoothly with all parties except DIKO, which delayed submitting a candidate list because of internal discord and the hard-to-swallow conditions that Christofias had set (the President was adamant he would have the last word on appointments, and demanded that the other parties simply submit nominee lists.) He also mandated that all new ministers pledge to adhere fully to his pre-election program.

13. The new cabinet includes four AKEL-affiliated Ministers: AKEL Central Committee staffer Neoclis Silikiotis returns for a second stint as Minister of Interior; Sotiroula Charalambous, AKEL MP and long-time labor union official, as Minister of Labor; AKEL MP Costas Papacostas as Minister of Defense; and AKEL-affiliated academic Andreas Demetriou as Minister of Education. In addition to Marcos Kyprianou as Foreign Minister, DIKO's ministers include former Interior Minister Christos Patsalides as Minister of Health, and lawyer Antonis Paschalides as Minister of Commerce, Industry and Tourism. The ministers hailing from EDEK are relative unknowns: Limassol EDEK District Committee President Nicos Nicolaides as Minister of Communications and Works, and a central committee member from Paphos, Michalis Polynikis, as Minister of Agriculture, Natural Resources and Environment. The leader of the tiny Front for the Restoration of the Center, former Government Spokesman Kypros Chrysostomides, is the new Minister of Justice and Public Order, while the Ministry of Finance went to non-affiliated banker Charilaos Stavrakis.

14. Christofias's former campaign spokesman, Stefanos Stefanou, is the new Government Spokesman, while Christofias's choice to fill the Commission slot, former First Lady and current United Democrats MP Androula Vassiliou, should win EU confirmation within days. Three-time former Foreign Minister George Iacovou was appointed Presidential Commissioner, a newly-created position. Christofias

abolished the post of Diplomatic Coordinator, until now held by chief RoC negotiator, Intelligence Service chief, and close Tassos Papadopoulos confidant Tasos Tzionis.

¶5. President Christofias was invested February 28 in a brief ceremony at the House of Representatives. In his inaugural statement he reiterated the main points of his election-night speech, stressing that he had run for president only "to fulfill his life-long vision of solving the Cyprus Problem and building a fairer society." He repeated that the desired Cyprus end-state was a bizonal, bicomunal federation, and emphasized his support for "political equality of the two communities in the framework of a federation, as defined in the relevant UNSC resolutions." In what is viewed as a nod to opposition DISY to return to the National Council, Christofias pledged to upgrade the institution and make it more effective. Referring to his economic policy, he will continue to improve the "mixed economic model, based on cooperation between private, public, and cooperative sectors."

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Biographies of Cabinet Members  
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¶6. Foreign Minister Marcos Kyprianou was born in Limassol in 1960. He is the son of the late former President of the Republic of Cyprus, Spyros Kyprianou. He studied Law at the National and Kapodistrian University of Athens and did graduate studies (LL.M.) at Trinity College of the University of Cambridge, in the U.K., and at Harvard Law. He was active in politics from his student years and served in various DIKO party posts. He was elected to the House of Representatives in 1991, 1996 and 2001, but resigned his seat in 2003 when he was appointed Minister of Finance by Tassos Papadopoulos. He became EU Commissioner for Health and Consumer Protection on May 1, 2004 when Cyprus joined the EU.

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¶7. The new Minister of Finance, Charilaos Stavrakis, was born in 1956 and holds a BSc in Economics from Cambridge University and an MBA from Harvard. After a two-month stint in the World Bank in 1989, he joined the Bank of Cyprus and worked in various posts. In 2005 he was appointed Chief Executive Officer of the Bank's operations in Cyprus and Deputy Group Executive Officer, in addition to his duties as Director of the Bank's many sister companies. In June 2005, he became Chairman of the Board of the parastatal Cyprus Electricity Authority.

¶8. Interior Minister Neoclis Silikiotis was born in 1959 and studied engineering in Aachen, Germany, where he was active in the student movement. Upon his return to Cyprus in 1987, he worked for EDON, the youth organization of AKEL, in the student sector and in international relations. In 1995 he became a full time employee of AKEL's Central Committee. He was the head of the Education Bureau of the party and a member of the Education Council. He was appointed Minister of Interior in September 2006, but resigned in July 2007 along with all other AKEL Ministers when Christofias announced his candidacy for the presidency.

¶9. Minister of Commerce, Industry and Tourism Antonis Paschalides was born in 1955 and studied Law in the UK. He is the managing partner of the Antonis Paschalides and Company law firm. He was a member of DIKO, but left the party in 1988 together with former DIKO leading official Alexis Galanos to form the party KEA (Eurodemocratic Renewal Movement). After Galanos's resignation in 1999, he became the leader of KEA. He merged his party with DIKO in 2006 and is a member of its executive secretariat.

¶10. New Labor Minister Sotiroula Charalambous was born in 1963 and studied political and social sciences in Sofia, Bulgaria. Upon her return to Cyprus in 1986, she was hired by left-wing labor federation PEO and served in various posts there. She is also a member of the Central Committee of AKEL and member of the executive secretariat of AKEL's women's movement, POGO. She was elected to

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the House of Representatives in 2001 and 2006.

¶11. The new Minister of Defense, Costas Papacostas, was born in

1939 and graduated from the Senior War College and the National Defense School of Greece. Later he attended specialized police training in the United States and Germany on counter-terrorism and on crisis management. He served for 18 years in the Greek Cypriot National Guard and was promoted to Colonel. In 1973, he joined the Auxiliary Police Unit which was set up to counteract the action of EOKA B, the group which eventually participated in the coup against then-leader Archbishop Makarios. Papacostas was promoted to Deputy Chief of Police but resigned in 1996, citing his political bosses' poor oversight of the police force. Representing AKEL in the Famagusta district, he was elected to the House of Representatives in 2001 and 2006.

¶12. The new Minister of Education and Culture, Andreas Demetriou, was born in 1950 and has a PhD in Psychology from the Aristotelion University of Thessaloniki, Greece. He also did graduate studies on psychology at the University of New South Wales in Australia. Demetriou taught psychology at various universities including Aristotelion, the University of Cyprus, and universities in Switzerland and Slovakia. At the time of his appointment, he was Dean of the School of Humanities and Social Sciences at the University of Cyprus and President of the Interim Governing Board of the Technological University of Cyprus.

¶13. Kypros Chrysostomides, the new Minister of Justice and Public Order, was born 1942. He studied Law at the University of Athens, Comparative Law at the Luxembourg Law School, and has a Ph.D. in Law from the University of Bonn. He worked for four years with the European Commission of Human Rights of the Council of Europe. Chrysostomides returned to Cyprus in 1973 and began practicing law in Nicosia. He was an active member of the Democratic Party (DIKO) and served the party from various positions, being elected Deputy General Secretary in 1988 and serving on the party's executive committee. In the mid-90's he broke ranks with DIKO and in 1998 formed his own political movement, the Front for the Reconstruction of the Center, which he continues to lead. In 2001, Chrysostomides unsuccessfully ran for Mayor of Nicosia. From 2003 to January 2006 he served as Government Spokesman in President Papadopoulos's administration.

¶14. The youngest member of the new cabinet, Minister of Health Christos Patsalides, is also the only carryover from the Papadopoulos era. Born in 1973, he studied at the UK's Hull University from 1993 to 2000, and has a Ph.D. in EU Law. From 2005 to 2007 he was the Director of the Foundation of European Social and Political Studies, and an Assistant Professor of EU Law at Cyprus College in Nicosia. He was appointed Minister of Interior on July 16, 2007.

¶15. Nicos Nicolaides, the new Minister of Communications and Works, was born in 1953. He studied in the United States and has a BSc and an MSc in Electrical Engineering from Dartmouth College and the University of South California, respectively. He spent much of his career with the semi-governmental Cyprus Electricity Authority, and

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at the time of his appointment, he was Deputy Director for Limassol District. He is a member of the EDEK central committee and is president of party's Limassol organization.

¶16. The Minister of Agriculture, Natural Resources and Environment, Michalis Polynikis Charalambides, was born in 1948 and studied medicine in Athens. He worked in Greek hospitals until 1991, when he returned to Cyprus to open his own private practice in his home town of Paphos. Charalambides belongs to the EDEK central committee and political bureau, and heads the party's Paphos organization.

¶17. The new Government spokesman, Stephanos Stephanou, was born in 1965 and studied Political Sciences at the Academy of Social Sciences and Social Administration of Sofia, Bulgaria. On completion of his studies he was hired by the youth organization of AKEL, EDON, as chief editor of the organization's newsletter. In 1996, he was elected General Secretary of EDON. In 2001 Stephanou was appointed director of the House Speaker's office, under then-Speaker Demetris Christofias. During the election campaign, Stephanou served as Christofias's spokesman.

